



*Opening Doors  
Around the World...*

# **Going Global Intelligently: The Journey to Efficiency, Effectiveness and Innovation**

*April 22, 2014*



*...Solutions for Global  
and Local Success!*

# About Karen Beaman



## **Karen Beaman**

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- Founder and CEO of Jeitosa, a global HR business and systems consultancy.
- Led the team that built the global strategy for Workday's new Human Capital Management offering.
- Previously responsible for ADP's professional services across the Americas, Europe, and Asia/Pacific.
- Co-founder and Editor-in-Chief of the *IHRIM Journal* and Program Chair for IHRIM's Global Technology Forum.
- Published extensively in fields of Linguistics, Humanities, Human Resources, and Information Technology
- Recipient of IHRIM's Summit Award in 2002, honoring her lifetime achievements in the field of HR and HRIT.
- B.A. from Old Dominion and an M.S. from Georgetown University; Ph.D. candidate in Sociolinguistics.
- Fluent in English, German, and French; conversational Spanish and Portuguese.

# Jeitosa's Name and Values

## Our Name

**jeitosa** [zhay-taw-za]

*(Brazilian Portuguese) adj.*

*1. agile, skillful, adroit;*

*2. innovative, creative,  
solution-oriented.*

## Our Values

- **Integrity** – fostering openness and fairness in all our business relationships.
- **Motivation** – going the extra mile to ensure our clients' and partners' success.
- **Partnership** – engaging with all our associates for long-term relationships.
- **Knowledge** – sharing best-in-class global business and technology solutions.
- **Excellence** – delivering superior value to our clients, partners, and shareholders.
- **Balance** – building symbiosis among work, life, diversity, profitability, and fun.

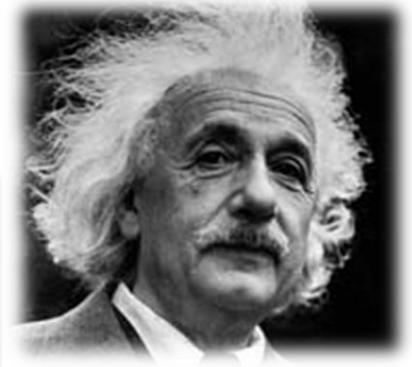
# About Jeitosa Group International



# Today's Business Drivers

- Age-old paradox: how to do more with less
- Organizations are simultaneously trying to:
  - Seek efficiencies through lower costs and increased productivity
  - Pursue innovations and opportunities that promise better ways to get work done

*“The significant problems we face cannot be solved at the same level of thinking we were at when we created them.” –Albert Einstein*



# Background for This Study

- Six years, investigating the globalization of strategies, organizations, people, process and technologies for the HCM function.
- Conducted by Jeitosa Group International research team and sponsored by IHRIM
- Participants solicited with the support of many global providers and social networking sites.

# Polling Question #1

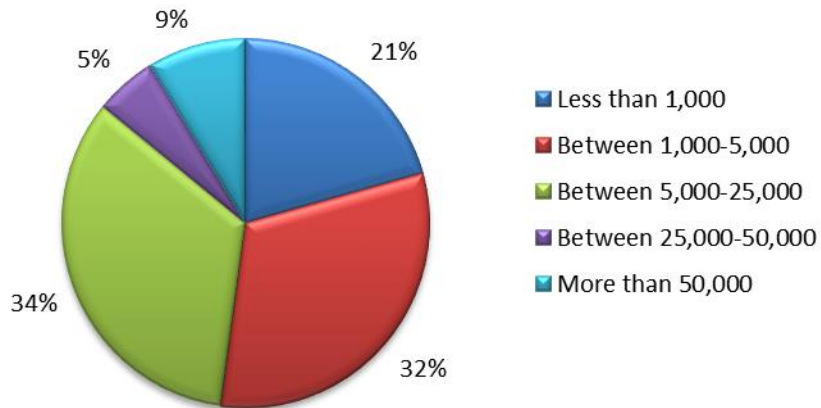
How many employees to do you have globally in your organization:

- ☐ Less 1,000 employees
- ☐ 1,001 to 5,000 employees
- ☐ 5,001 to 25,000 employees
- ☐ 25,001 to 50,000 employees
- ☐ More than 50,000 employees

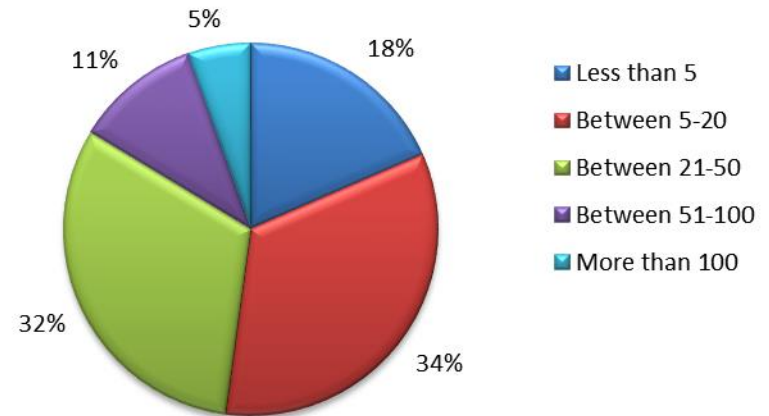
# Study Demographics

*n* = 92

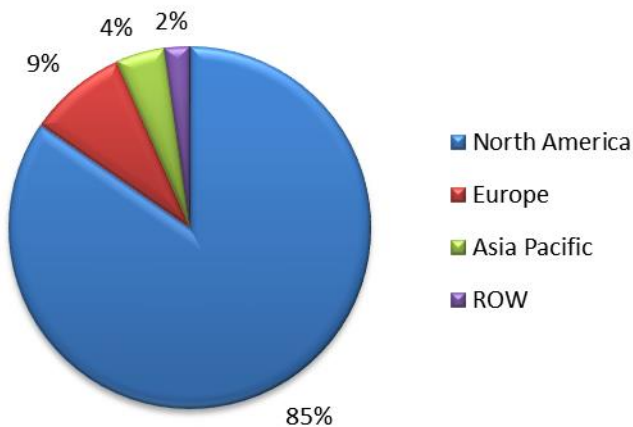
## Number of Employees Globally



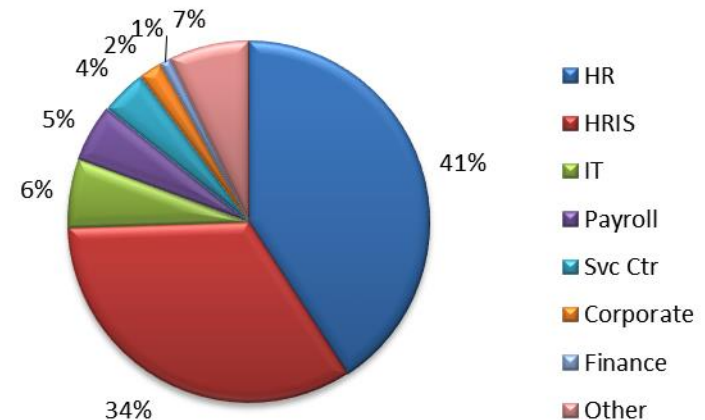
## Number of Countries



## Headquarters Region



## Respondents' Function





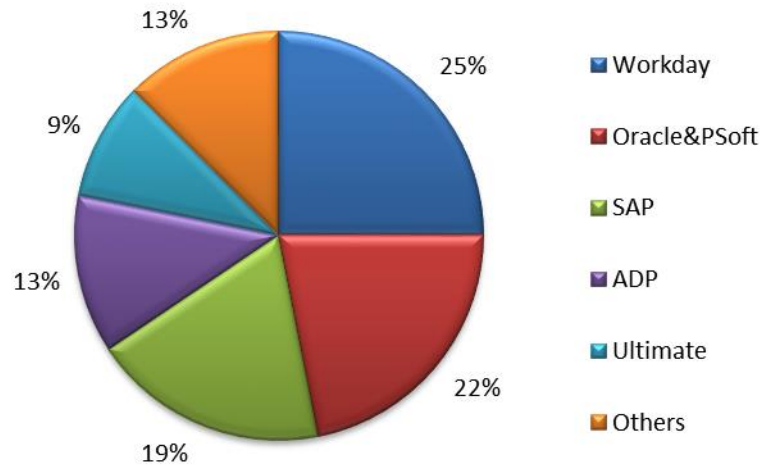
# Polling Question #2

What is your global HR System of Record (SOR):

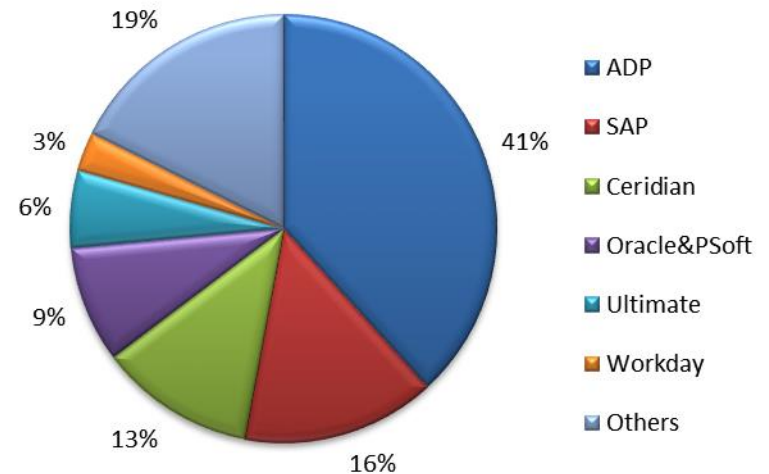
- ☐ Oracle / PeopleSoft / JDE / etc.
- ☐ SAP / SuccessFactors Employee Central
- ☐ Ultimate
- ☐ Workday
- ☐ Other or None

# Primary Vendors in Use

## Primary HR Vendors in Use

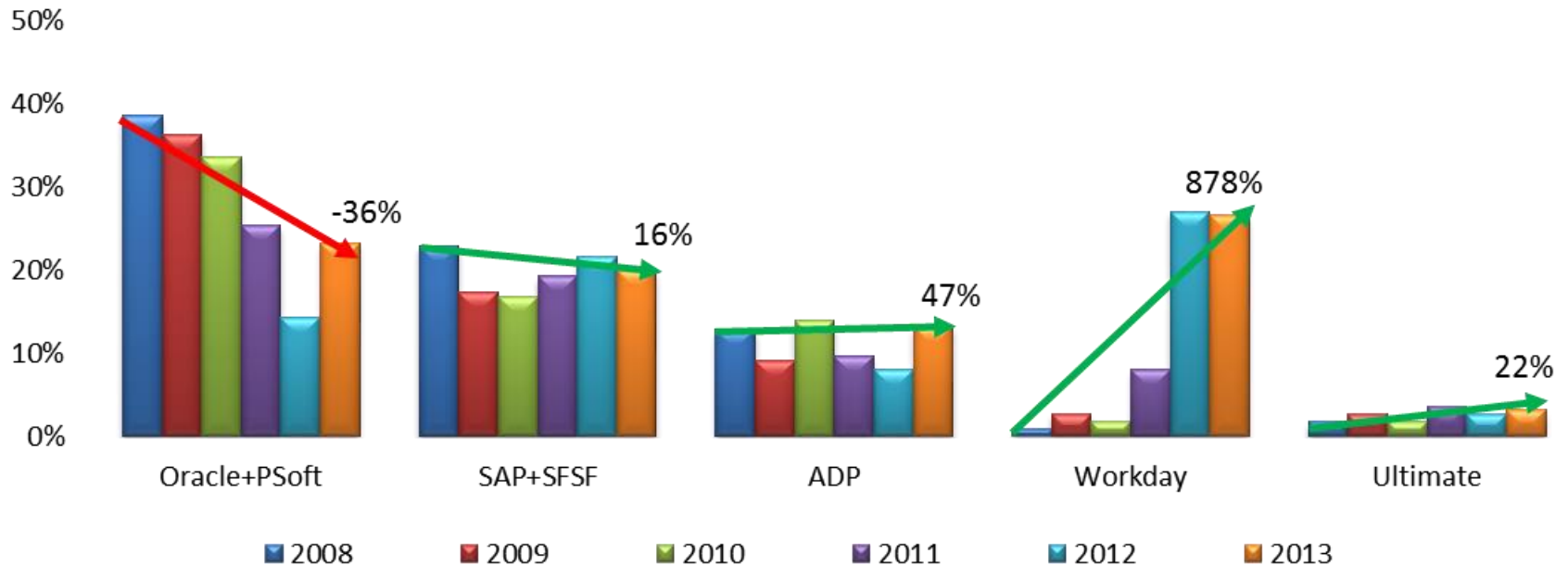


## Primary Payroll Vendors in Use



ADP, SAP, PeopleSoft/Oracle, Ultimate and Workday are the primary vendors in use.  
In HCM, SAP, Oracle, and Workday are in a dog race – Workday pulling slightly ahead.  
In Payroll, ADP continues to lead, with many disparate second position players.

# HR Vendor Choices Over Six Years



PeopleSoft / Oracle, while continuing its decline, may be leveling off a bit.

SAP with SuccessFactors, as well as ADP, continue a slow, steady increase.

Over the last two years, Workday has shown astronomical growth!

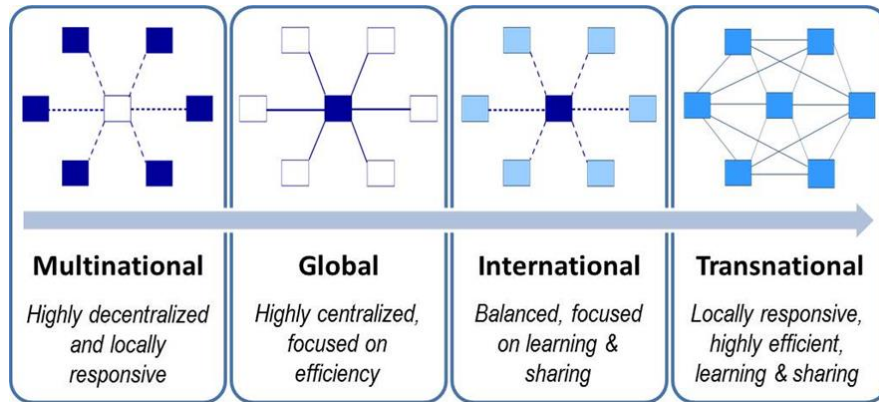
# Polling Question #3

Which model best describes your global HR organization:

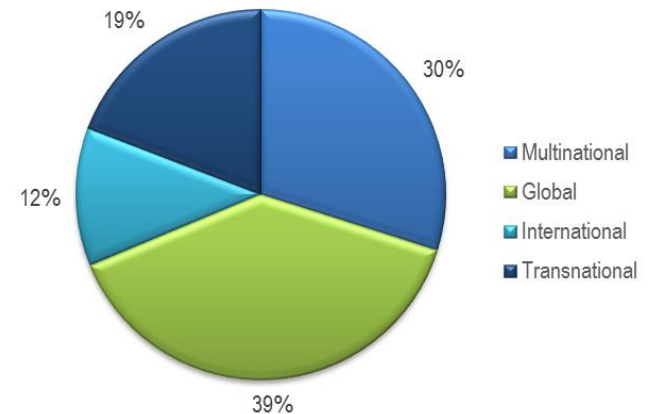
- ☐ ***Multinational*** – decentralized, focused on local business units
- ☐ ***Global*** – centralized, focused on global standards and efficiency
- ☐ ***International*** – centralized, focused on learning and innovation
- ☐ ***Transnational*** – focused on being all three: local, global and innovative
- ☐ Don't know

# Global Organizational Models

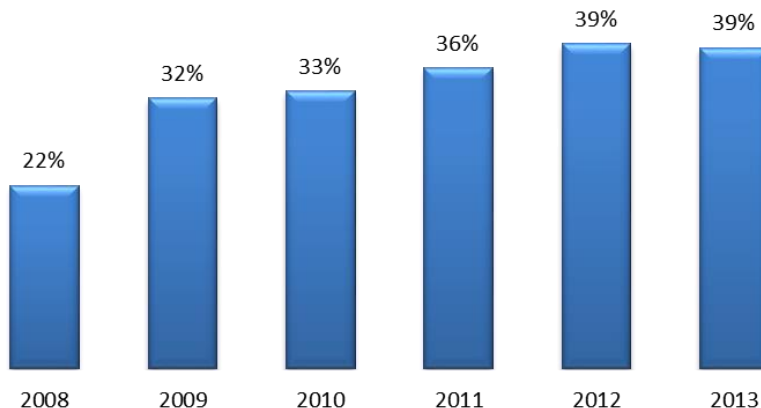
## Four Types of Global Organizational Models



## Organizational Models in the Going Global Study



## Year-Over-Year Growth of 'Global' Model



While consistent with last year, we have seen a steady increase in the 'Global' organizational model over the six years we have been conducting this survey – 17% growth since 2008.

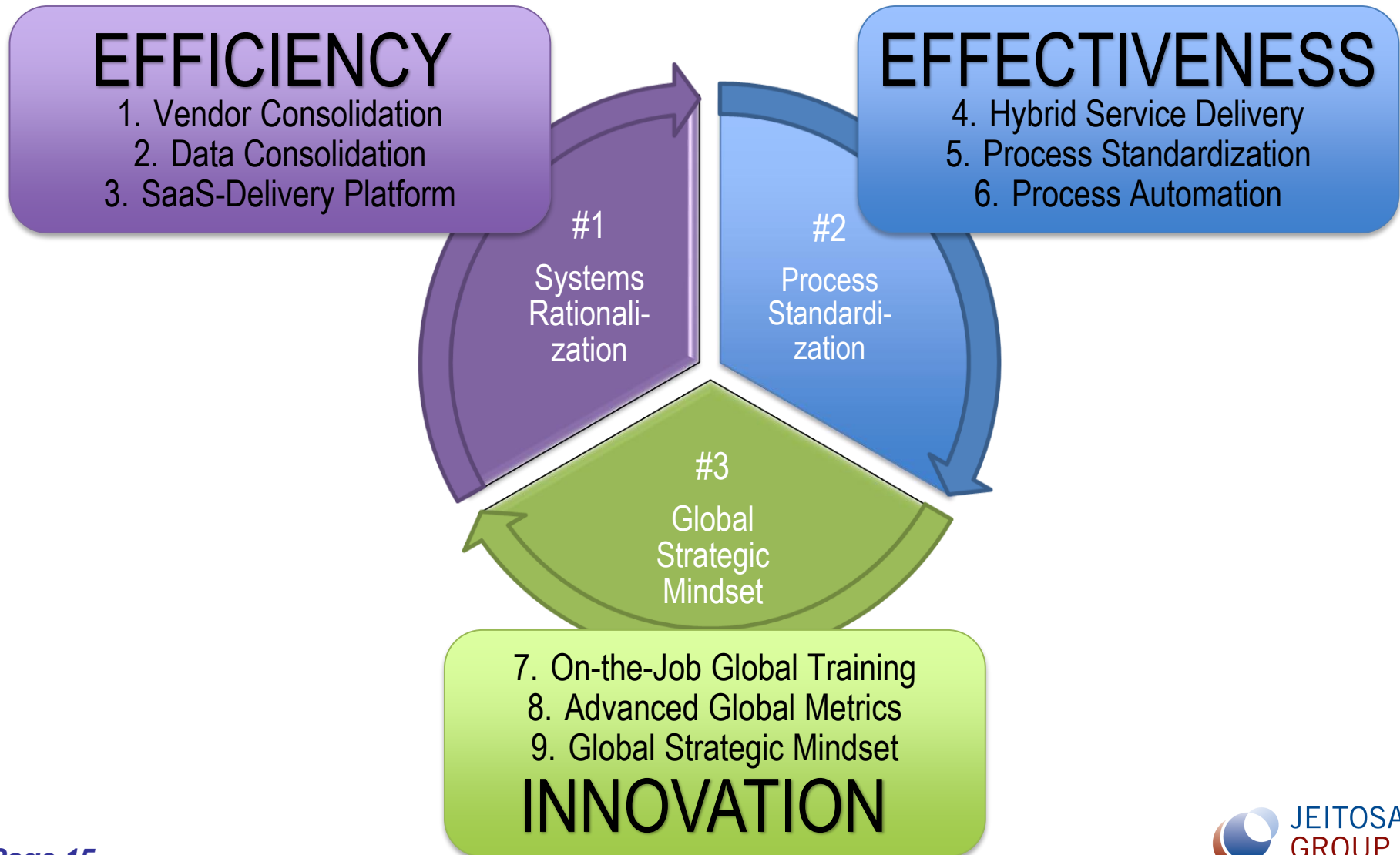
# Jeitosa's Global HCM Model

## 15 Components Covered in Jeitosa's Going Global Survey



Jeitosa's Going Global Survey evaluates four Core HCM components, seven Talent Management components, and four Management & Control components.

# Critical Success Factors in Going Global



# 1. Vendor Consolidation



## Issues in Worldwide Vendor Consolidation

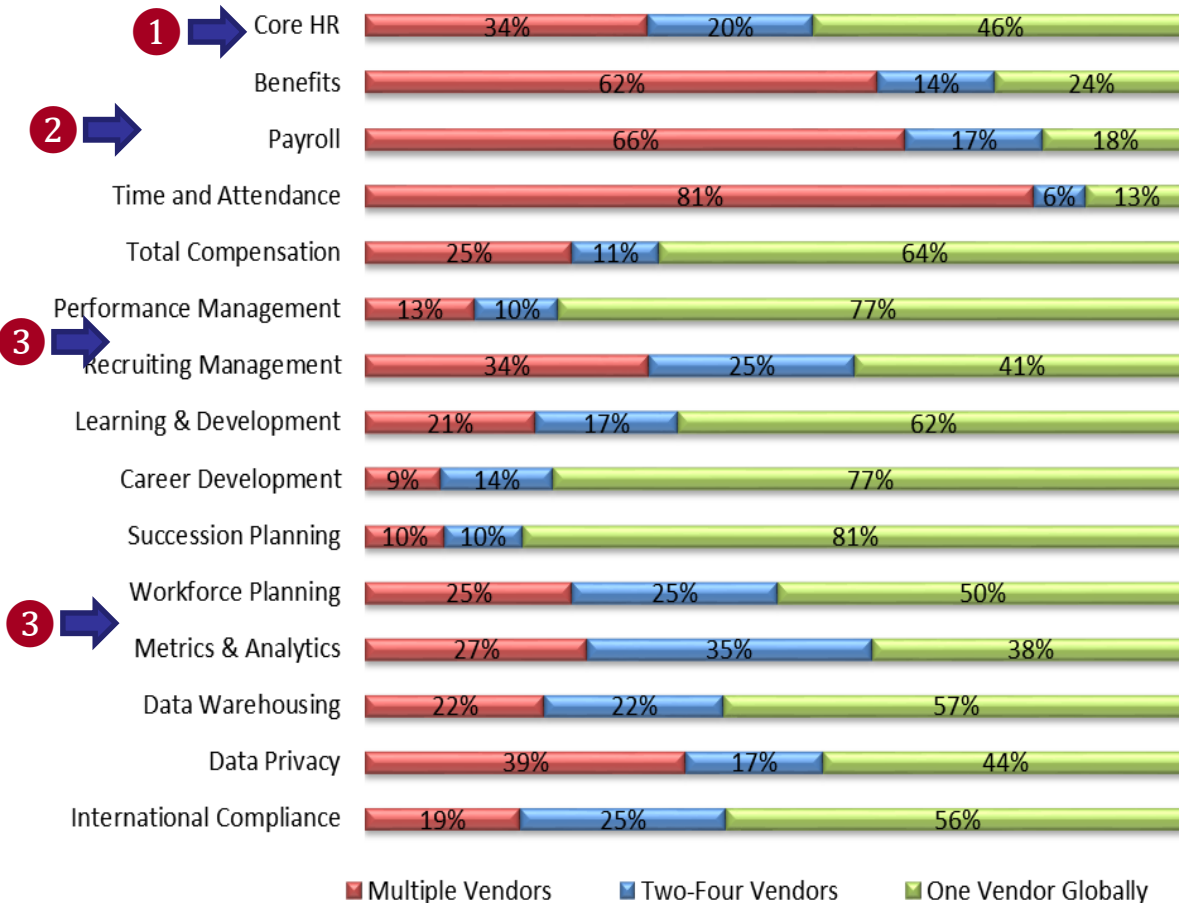
- Multiple, disparate systems – bring higher costs due to systems being duplicated across countries.
- Unintegrated systems – create integrity issues and greater manual effort from duplicate data entry.
- Lack of consistent data – make it difficult, if not impossible, to do global analytics and reporting.



# 1. Vendor Consolidation



## Current State of Worldwide Vendor Consolidation



1 Core HR systems tend to be local, regional or global, showing a slight increase toward more global this year.

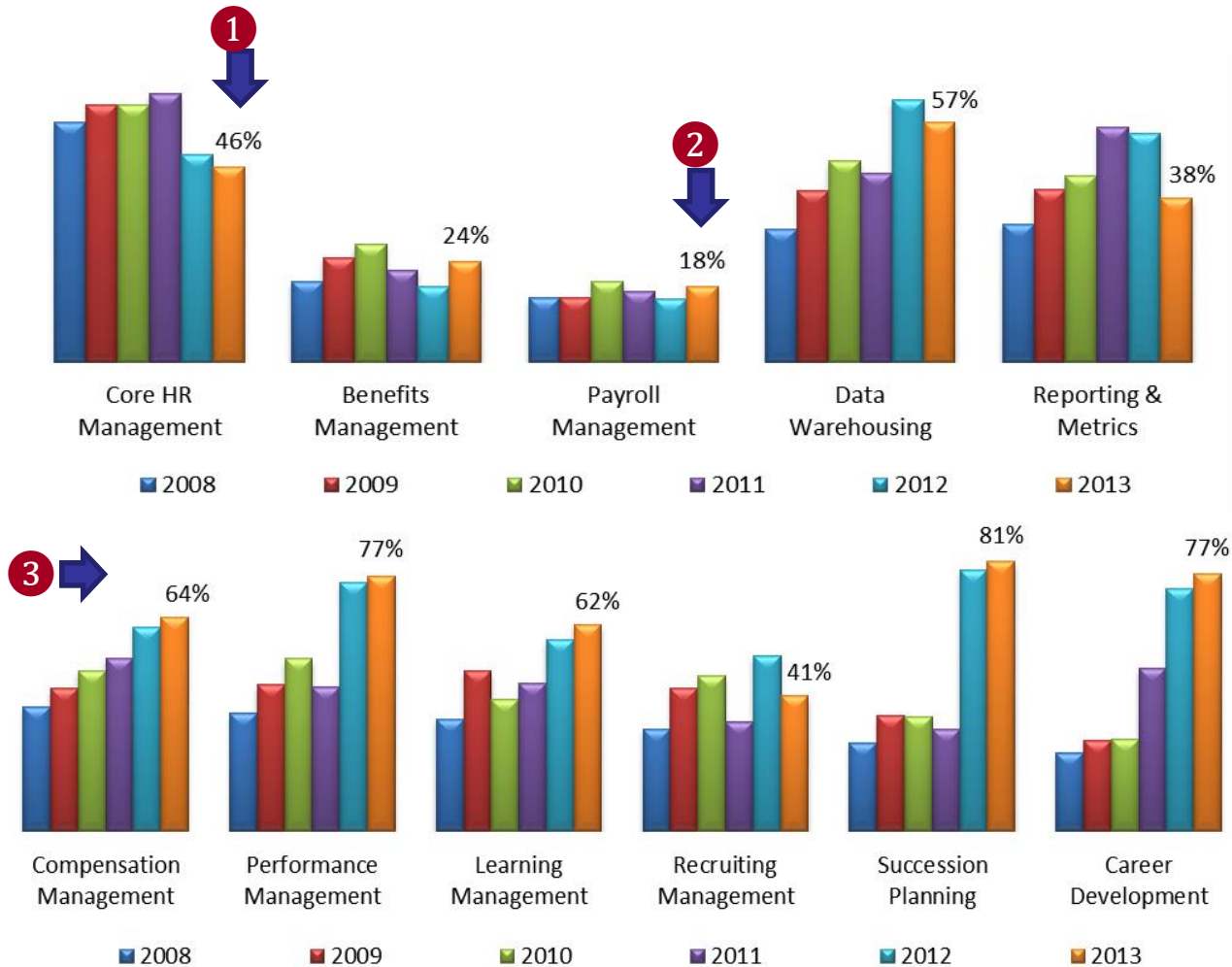
2 As expected, Benefits, Payroll, and Time tracking systems are more likely to be localized by country.

3 Talent management systems tend to be predominately global systems, with the exception of Recruiting and Metrics & Analytics which can be local, regional or global.

# 1. Vendor Consolidation



## Year-Over-Year Trend toward Vendor Consolidation



**1** Core HR systems consolidation shows a 24% decline over the six years of this study.

**2** Only 18% have consolidated Payroll systems globally, but that's a 17% increase over six years.

**3** Most are consolidating TM vendors globally, except Recruiting: nature of the business or reflection of lack of industry maturity?

## 2. Data Consolidation



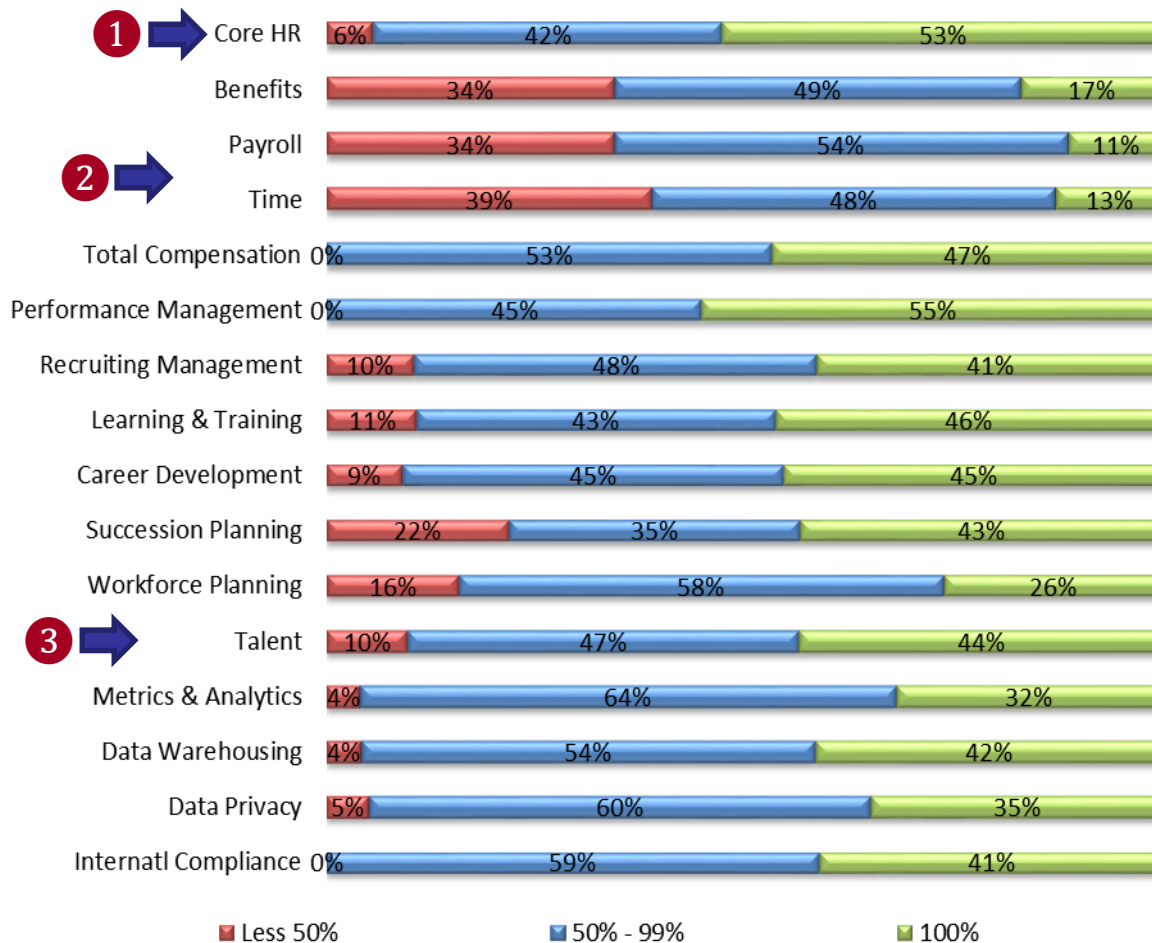
### Issues in Global Data Consolidation

- Multiple instances of HCM – brings greater costs and maintenance efforts due to duplicate systems.
- Lack of global data dictionary – inconsistent data definitions make consolidating reporting impossible.
- Less than 100% of workforce – creates difficulties in consolidated reporting and global analytics.

# 2. Data Consolidation



## Current State of Global Data Consolidation



**1** Core HR systems data tends to be the most consolidated.

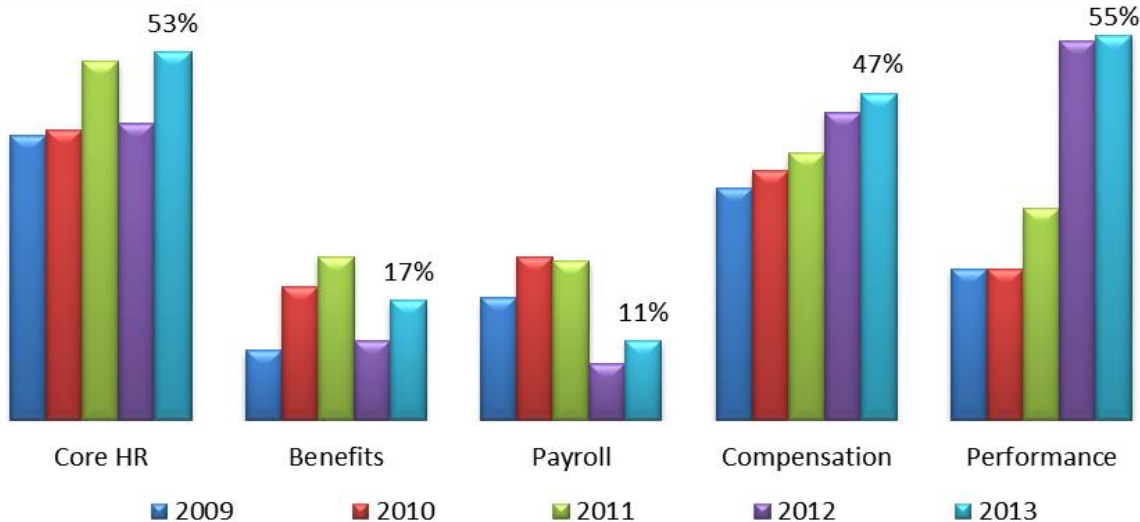
**2** There is minimal consolidation of Benefits, Payroll, and Time data.

**3** Talent management systems tend to have 40%+ of their data consolidated globally.

## 2. Data Consolidation



### Year-Over-Year Trend toward Data Consolidation

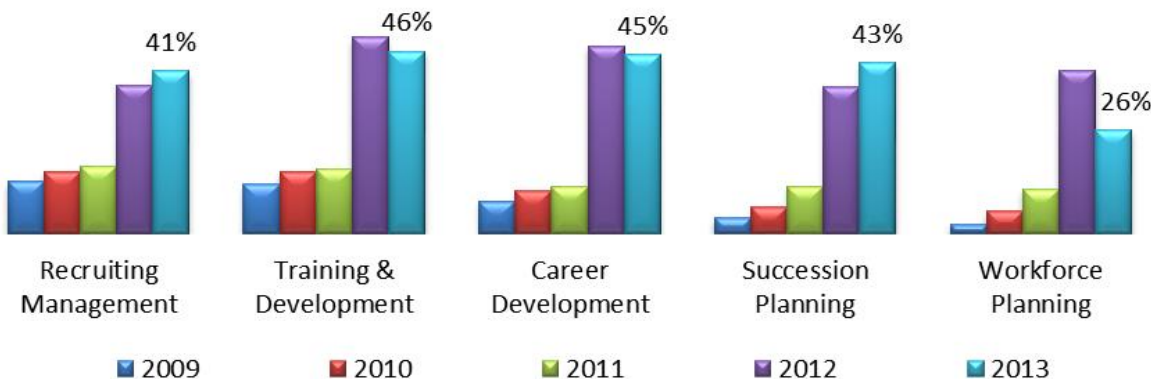


1

While progress is being made toward getting 100% of employee data on one single system, it is slow and not much over 50% for any of the functions.

2

Core HR, Compensation, and Performance are the closest to 100% data in one single system, but still only for half of survey respondents.



# 3. SaaS-Delivery Platform



## Issues with SaaS-Delivery Platform Adoption

- Ubiquity – SaaS provides a consistent, ubiquitous, and consumer-oriented platform for global roll-out.
- Total Costs – SaaS brings the promise of lower total cost of ownership through elimination or reduction in hardware, IT support, and continual upgrades.
- Data Privacy – Privacy and protection issues are paramount, particularly in the European Union.

# 3. SaaS-Delivery Platform



## Current State of SaaS-Delivery Platform Adoption



1 Core HR tends to be On-Premise or SaaS/Hosted, with a greater tendency toward SaaS/Hosted.

2 Benefits favors hosting, while Payroll shows a broad distribution across all three.

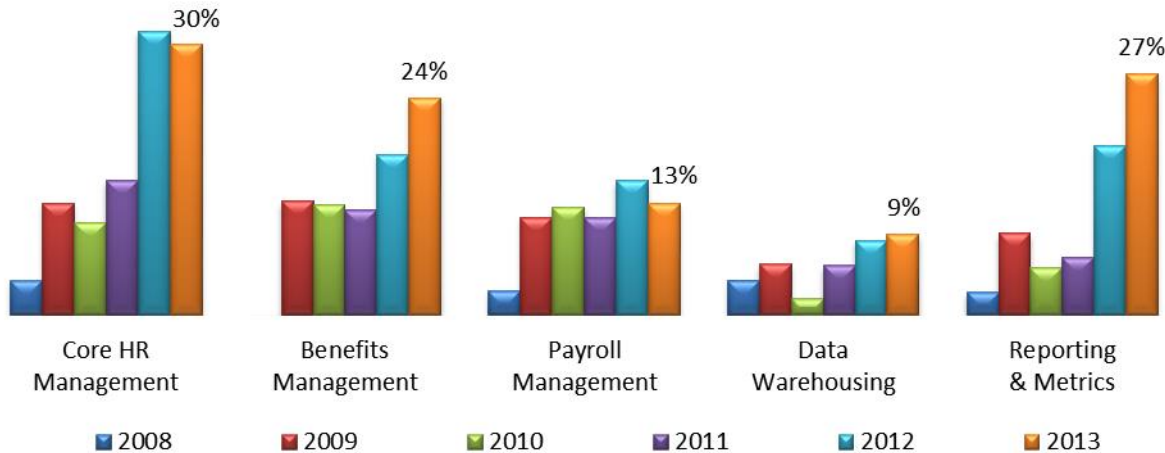
3 Talent management systems are most likely to be SaaS/Hosted, with Recruiting systems leading the way, followed by Learning, Performance, Career, and Succession systems.



# 3. SaaS-Delivery Platform

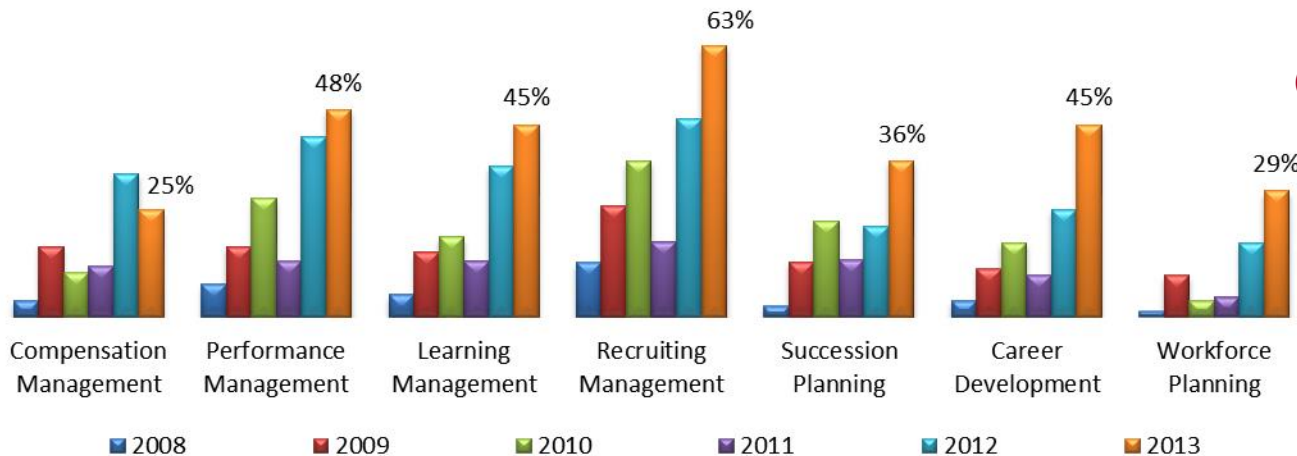


## Year-Over-Year Trend toward SaaS-Delivery Platforms



1

In all functional areas, organizations are moving rapidly to SaaS-based solutions globally – HR, Benefits, and Reporting have seen the largest increases.



2

Recruiting is the most popular SaaS-based application, followed by Performance, Learning, and Career Development.



# 4. Hybrid Service Delivery



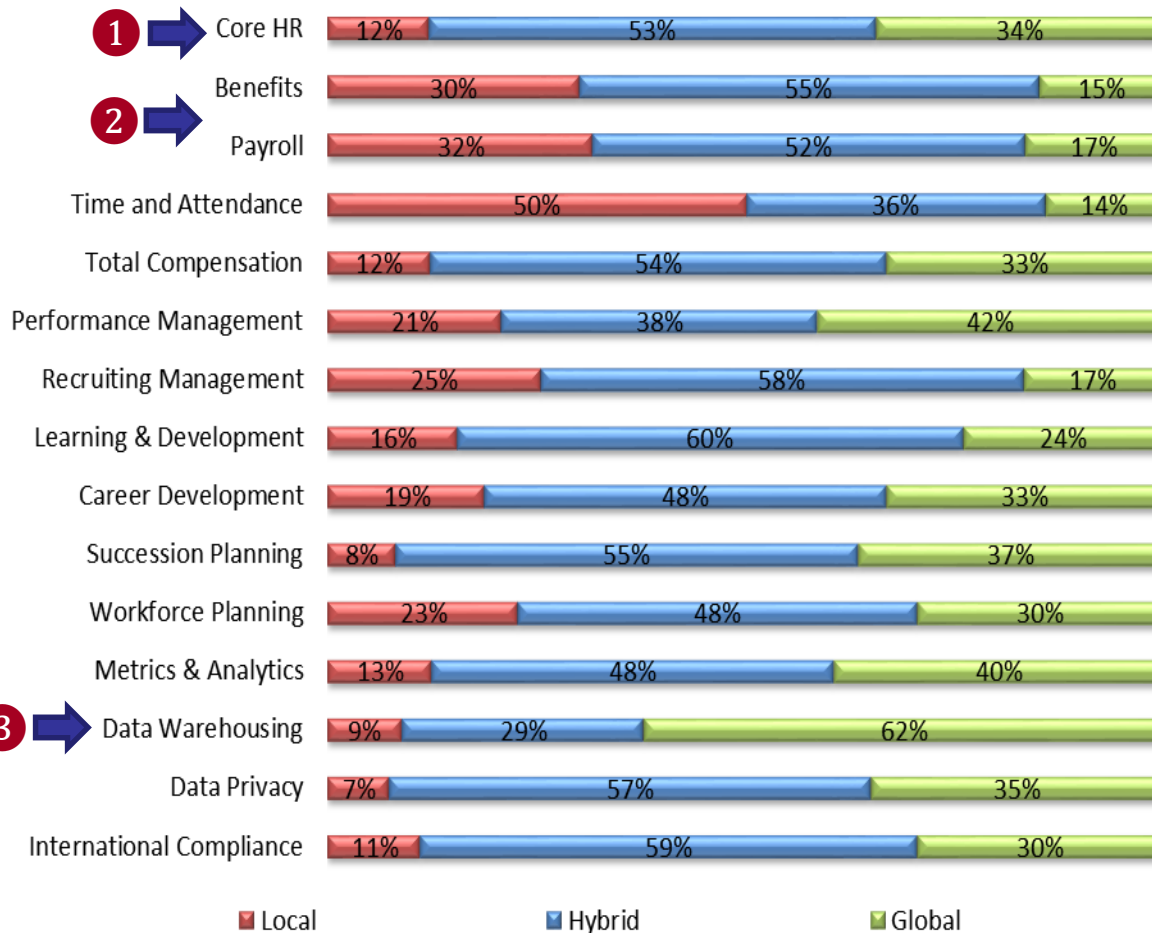
## Issues with Global/Local Service Delivery

- Service Delivery Models vary considerably from purely local country operations to regional and global shared services operations.
- The leading practice is a hybrid approach, seeking the most effective balance between local, regional, and global delivery, depending on a variety of factors: business function, number of locations, industry, population size, etc.

# 4. Hybrid Service Delivery



## Current State of Global/Local Service Delivery



1 Core HR shows mostly a hybrid approach to service delivery, although there are some companies who are only local as well as those who are completely global.

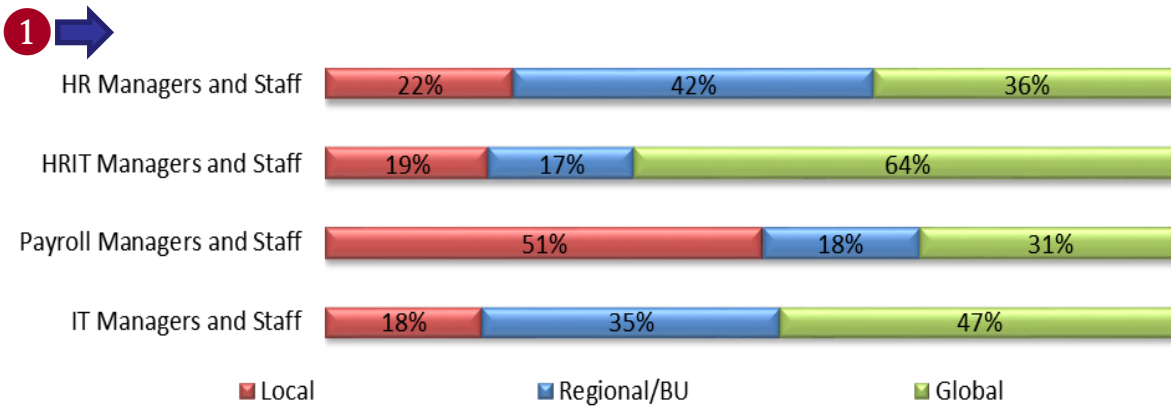
2 Benefits and Payroll are mostly hybrid, while Time shows mostly local delivery.

3 Data Warehousing is the one function that is handled predominantly globally, but still only 62% of respondents.

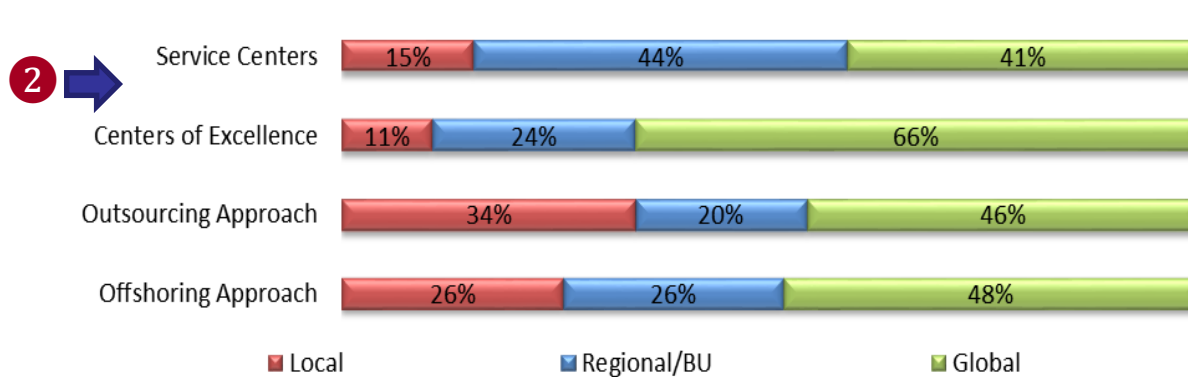
# 4. Hybrid Service Delivery



## Current State of Global/Local Service Delivery



**1** Payroll Staff is the most local, followed by HR Staff that tends to be local, regional and global; HRIT tends to be the most global, even more so than IT Staff.

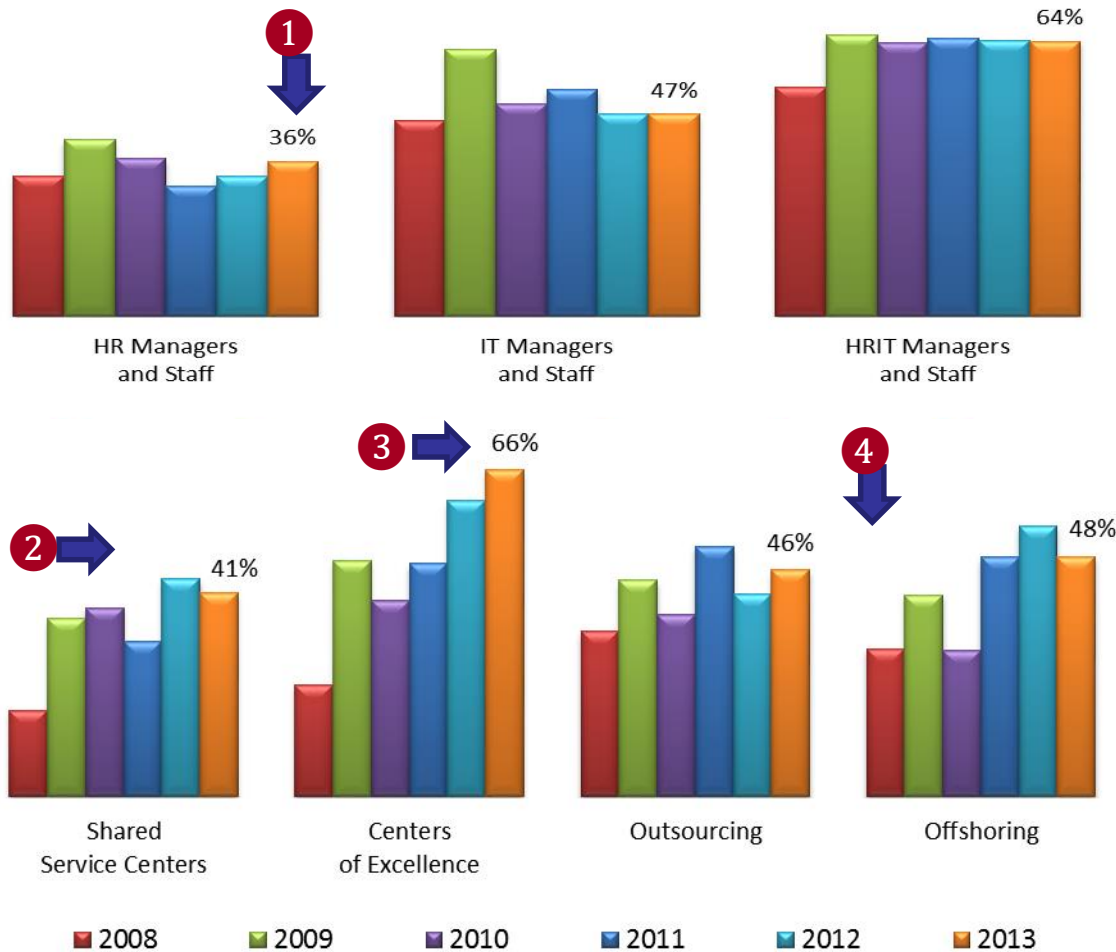


**2** Service Centers are likely to be either regional or global, but Centers of Excellence are primarily global. Outsourcing and Offshoring are also more likely to globally managed functions.

# 4. Hybrid Service Delivery



## Year-Over-Year Trend for Global Service Delivery



1 There has been little change in reporting relationships for HR, IT, & HRIT over the years.

2 Shared Services for HR has increased, on average, 14% over the years of this study.

3 Centers of Excellence have increased the most, almost doubling over six years.

4 Outsourcing & Offshoring has increased 37% and 67%, respectively, over the years.

# 5. Process Standardization



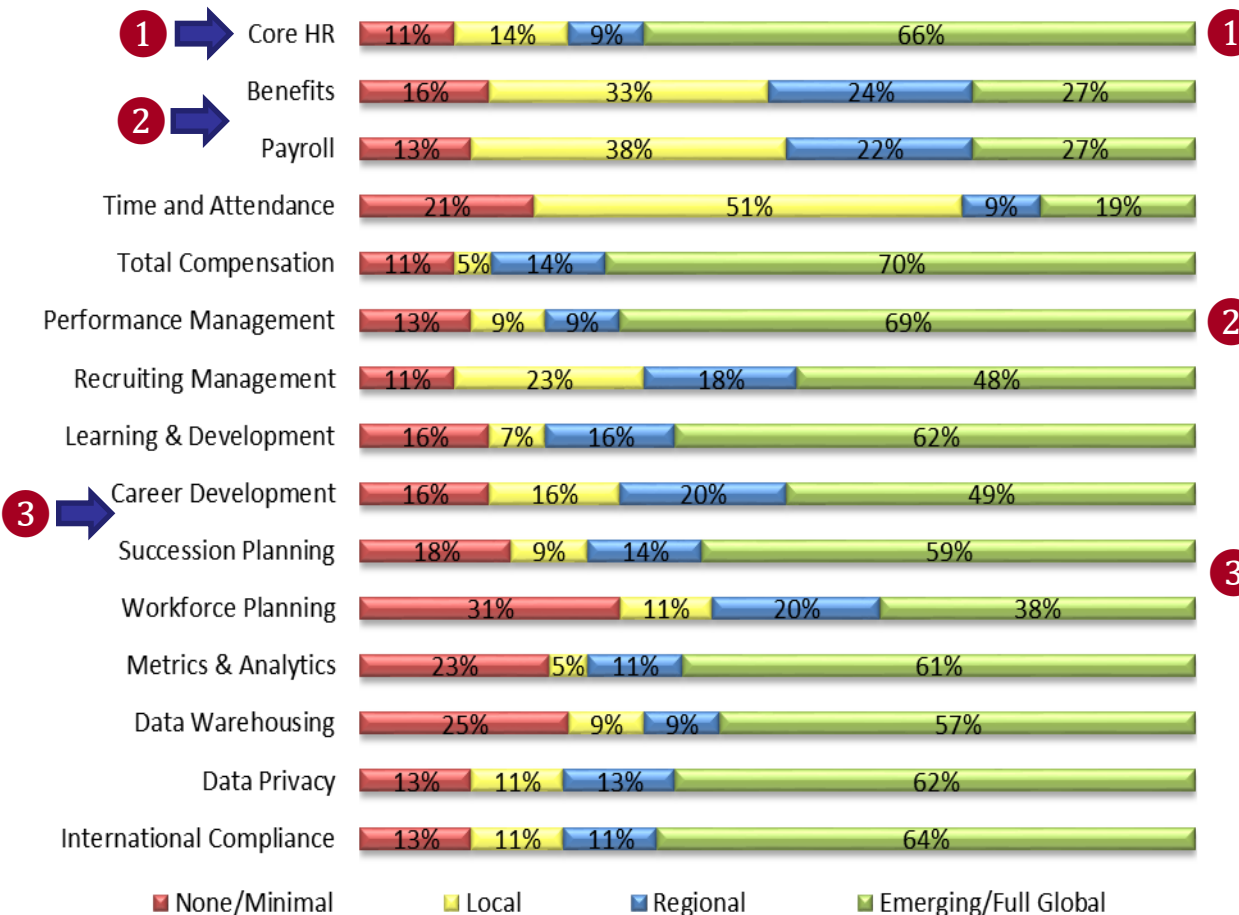
## Issues with Global Process Standardization

- Standardizing processes globally is a challenge due to varying local legislation and regulations, particularly with regards to payroll and time tracking.
- Yet 80-90% of HCM and Payroll processing is the same across countries. The goal is to globalize the similarities and localize differences.
- Be As Global as Possible, As Local as Necessary.

# 5. Process Standardization



## Current State of Global Process Standardization



Two-thirds of organizations report they have emerging or full global standards in place for Core HR processes.

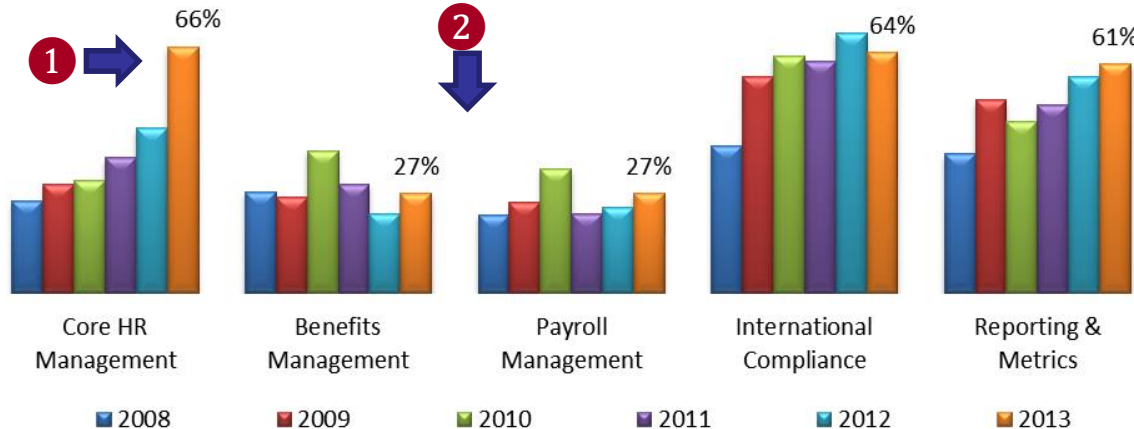
Benefits and Payroll show the lowest degree of global standardization.

Talent management also tends toward greater globalization, with Recruiting, Career Development, and Workforce Planning being the least globalized processes.

# 5. Process Standardization

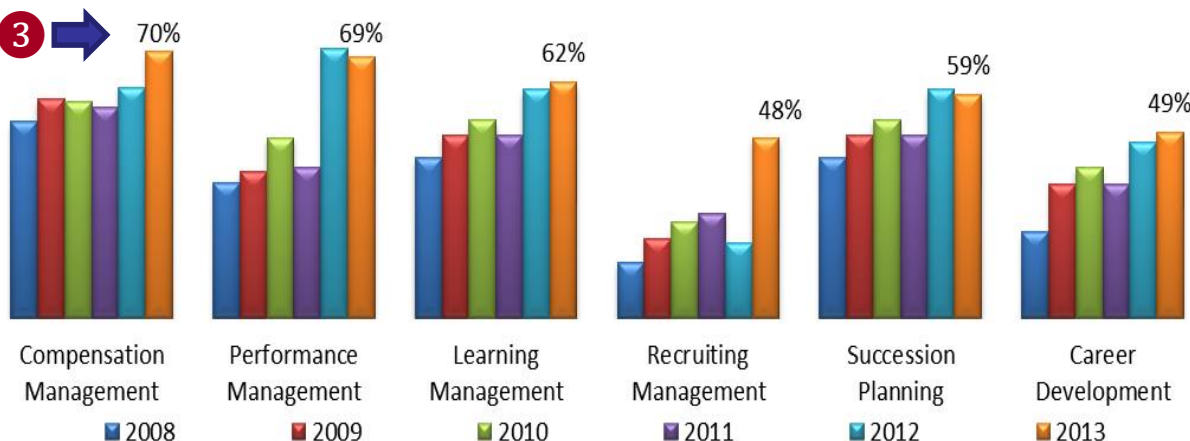


## Year-Over-Year Trend to Global Process Standards



**1** We see a significant jump in greater global HR process standards last year.

**2** Benefits and Payroll process standards show a small increase to 27% of respondents this last year.



**3** Over the six years we have been evaluating this trend, all Talent Management functions are becoming more global in nature, with particular growth in Compensation and Performance Management.



# 6. Process Automation



## Issues with Global Process Automation

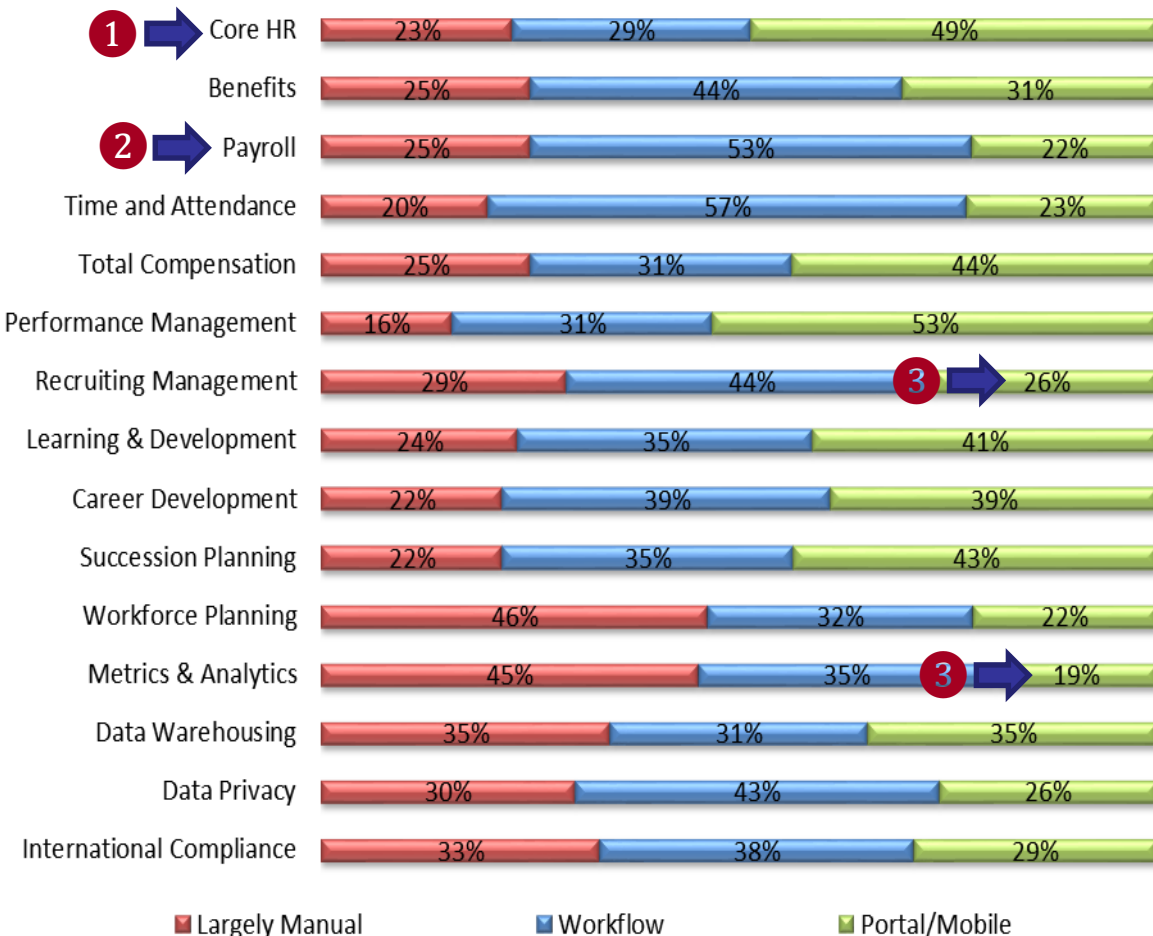
- Varying levels of process automation range from largely manual processes and double data entry to workflow-enabled processes to portal, mobile, and social access to HCM business processes.
- More highly automated processes put the business processes closer to the users, increasing the effectiveness of the organization.



# 6. Process Automation



## Current State of Global Process Automation



**1** Core HR, along with Performance Management, shows the highest degree of portal/mobile access over the other functions.

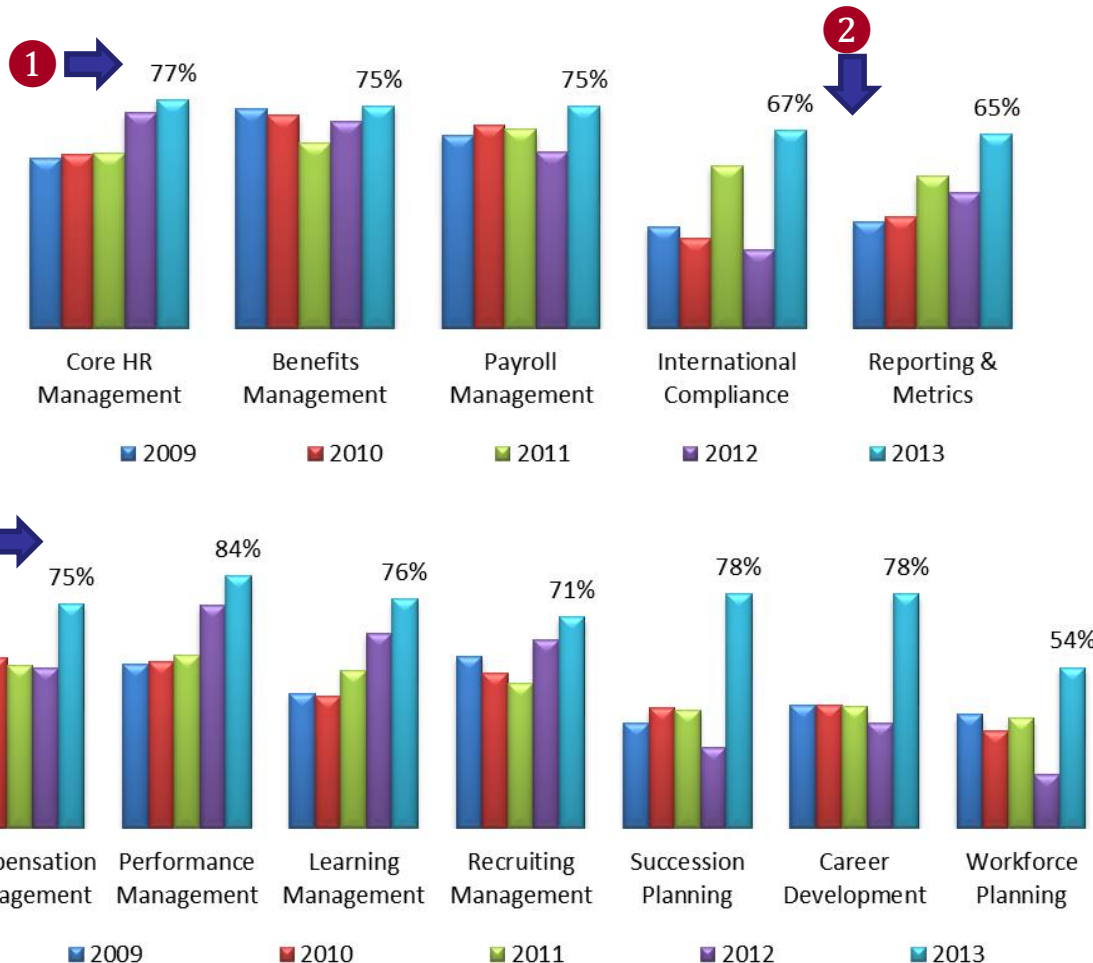
**2** Benefits, Payroll, and Time are more workflow-enabled than portal/mobile-enabled.

**3** Portal/Mobile adoption is greatest in the Talent Management, with the exception of Recruiting and Metrics, where it is clearly needed. Mobile accounts for only 3-5% of this category.

# 6. Process Automation



## Year-Over-Year Trend toward Greater Automation



1 The core HCM functions of HR, Benefits, and Payroll have increased in level of automation year-over-year.

2 International Compliance management and reporting and metrics have also become more automated.

3 All of the Talent Management functions have also increased in their levels of automation over the past five years.

# 7. On-the-Job Global Training



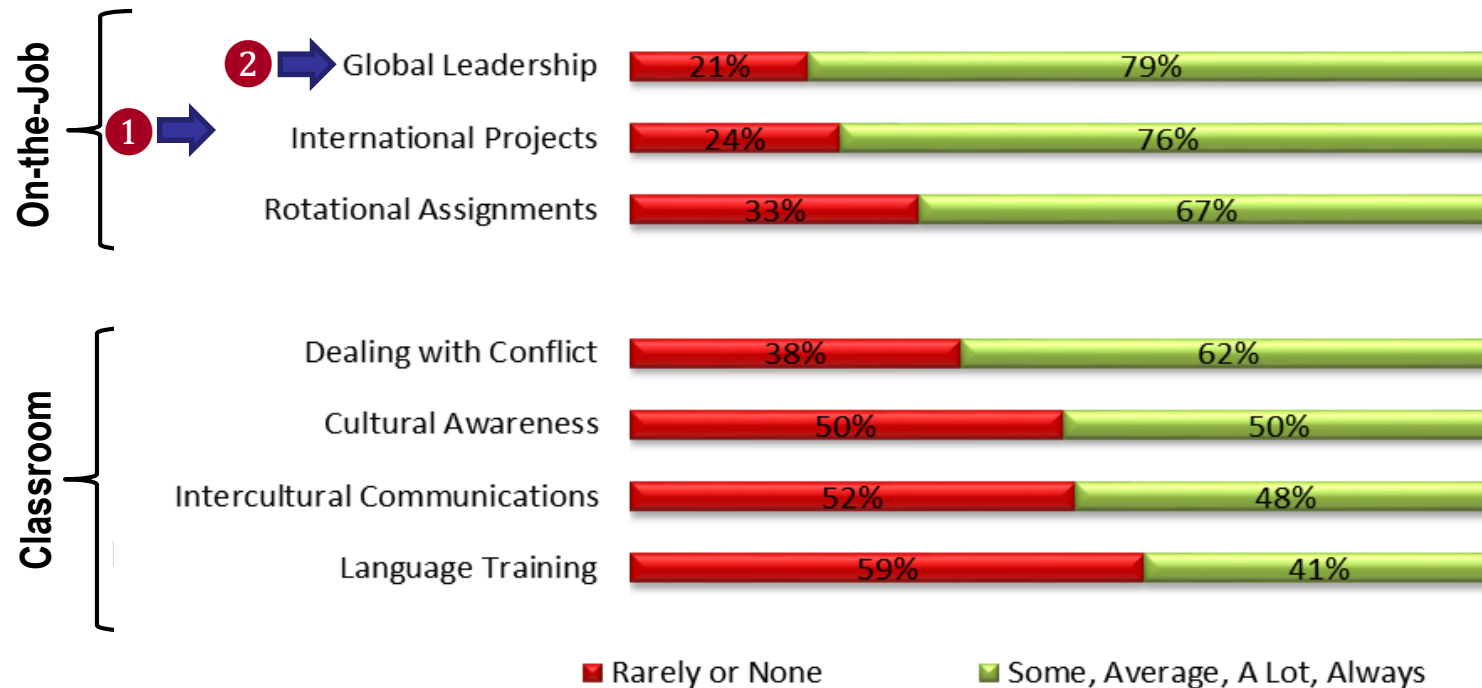
## Issues with Global Training

- Most studies show on-the-job, hands-on, and/or experiential training to be more effective than traditional classroom training.
- Global training has traditionally lagged other types of training offered by organizations.

# 7. On-the-Job Global Training



## Current State of Global Training



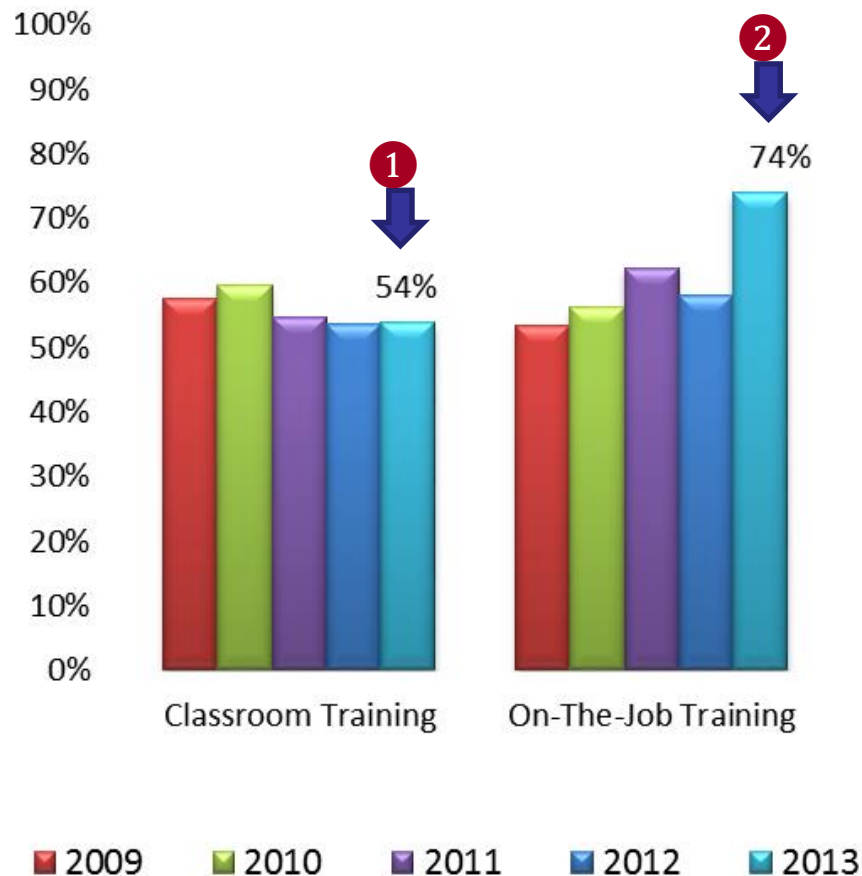
On-the-Job Training continues to be preferred over classroom style.

② Training in Global Leadership has increased significantly over the last two years – from 60% in 2011 to 65% in 2012 and now to 79% in 2013.

# 7. On-the-Job Global Training



## Year-Over-Year Trend on Global Training



1 Classroom Training has stayed very consistent over the years, with close to 60% of companies reporting to provide some level of training for employees working globally.

2 On-the-job training has increased significantly over the years as companies realize that if you want to be global you have to have people with global experience – and you can't learn that from a textbook.

# 8. Advanced Global Metrics



## Issues with Advanced Global Metrics

Basic Metrics or Lagging Indicators:

- Basic Counts and Percents
- Compliance and Control-oriented metrics

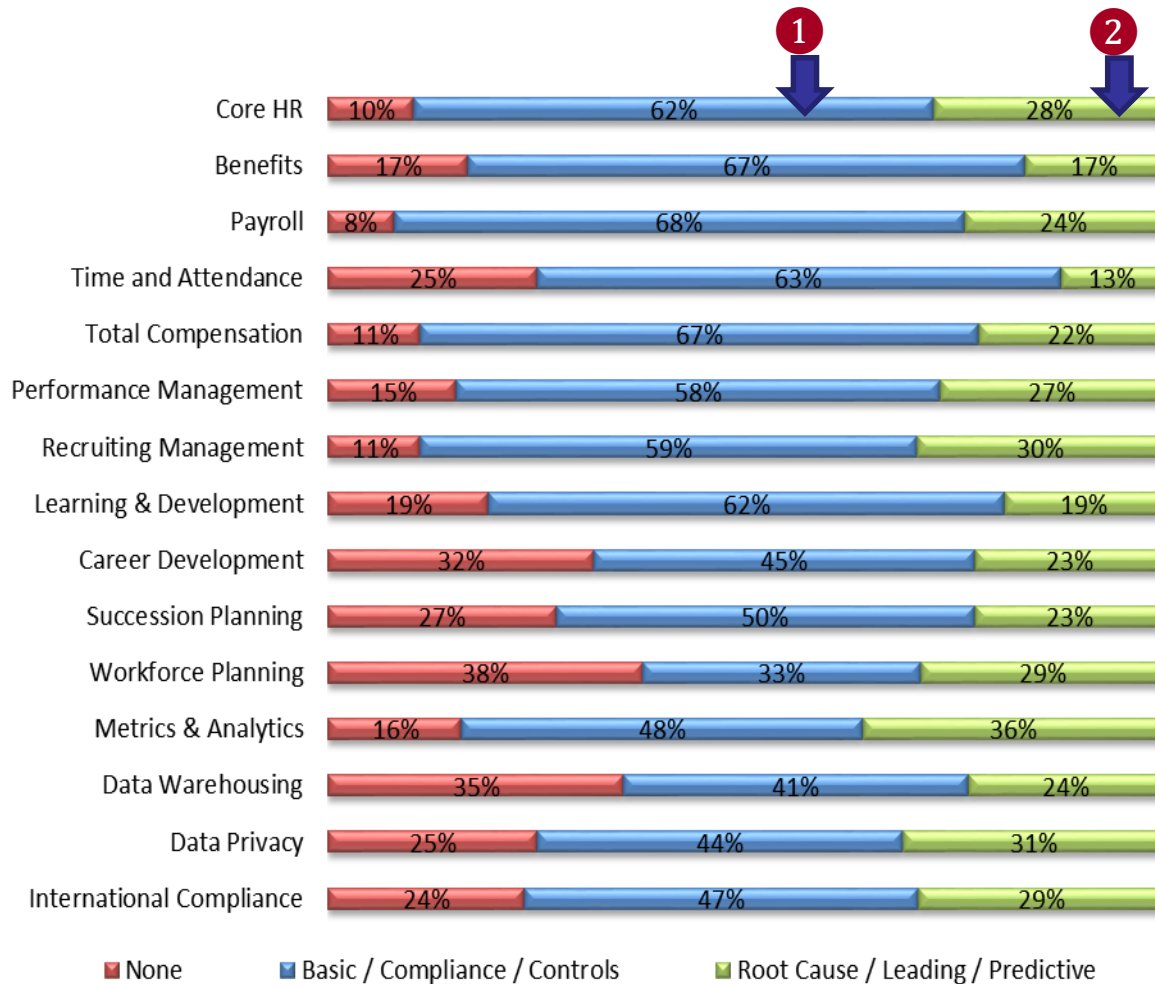
Advanced Metrics or Leading Indicators:

- Root Cause Analysis
- Predictive Analytics

# 8. Advanced Global Metrics



## Current State of Advanced Global Metrics



1

The majority of organizations have only basic compliance metrics with a control-oriented framework in place.

2

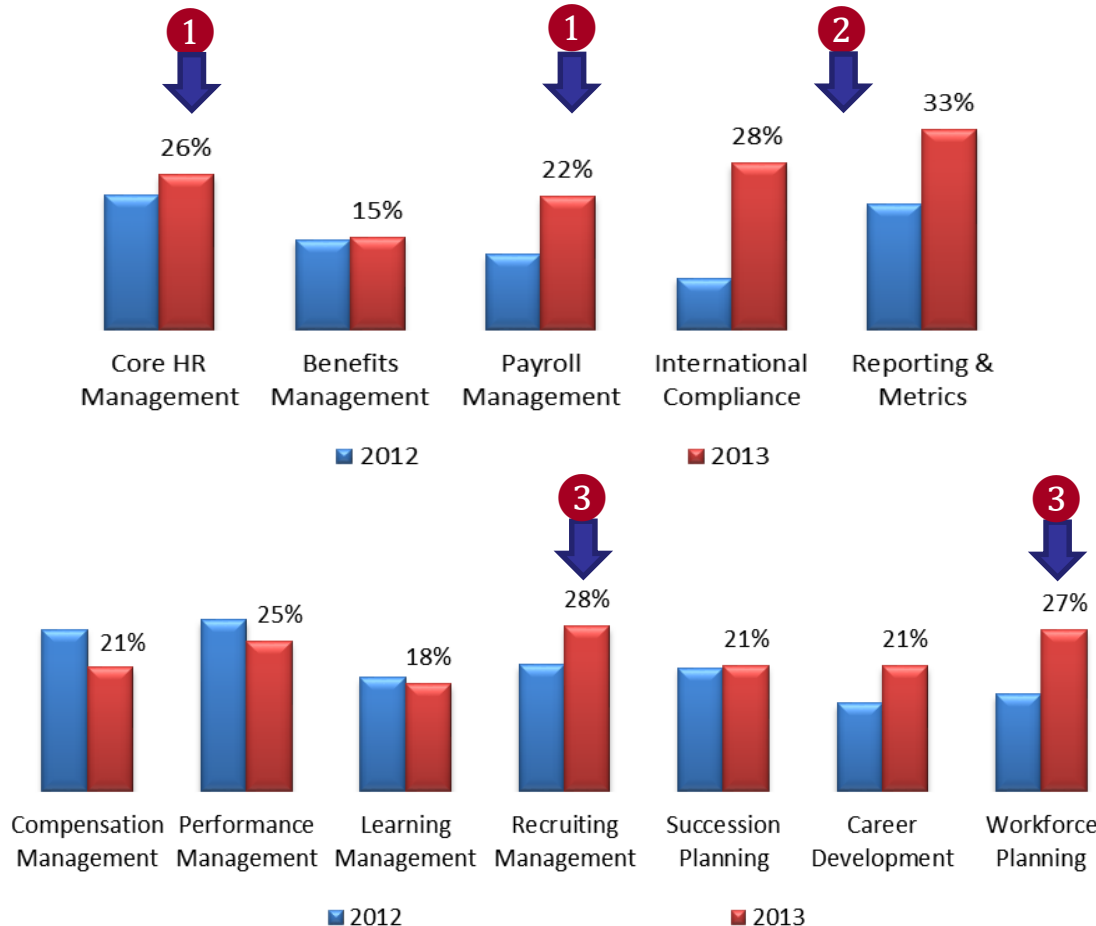
Only about 20% of organizations have root cause analysis and predictive analytics at the core of their metrics strategy.

A clear opportunity for global organizations is to move beyond lagging and control-oriented metrics to leading and predictive analytics.

# 8. Advanced Global Metrics



## Year-Over-Year Trend on Advanced Global Metrics



- 1 There has been slight increase this year over last year in advanced metrics within HCM and Payroll.
- 2 There is a significantly greater increase in advanced metrics in the areas of international compliance and overall reporting and metrics.
- 3 In the Talent Management arena, Recruiting and Workforce Planning have been the focus of advanced metrics last year.



# 9. Global Strategic Mindset



## Issues with Global Strategic Thinking

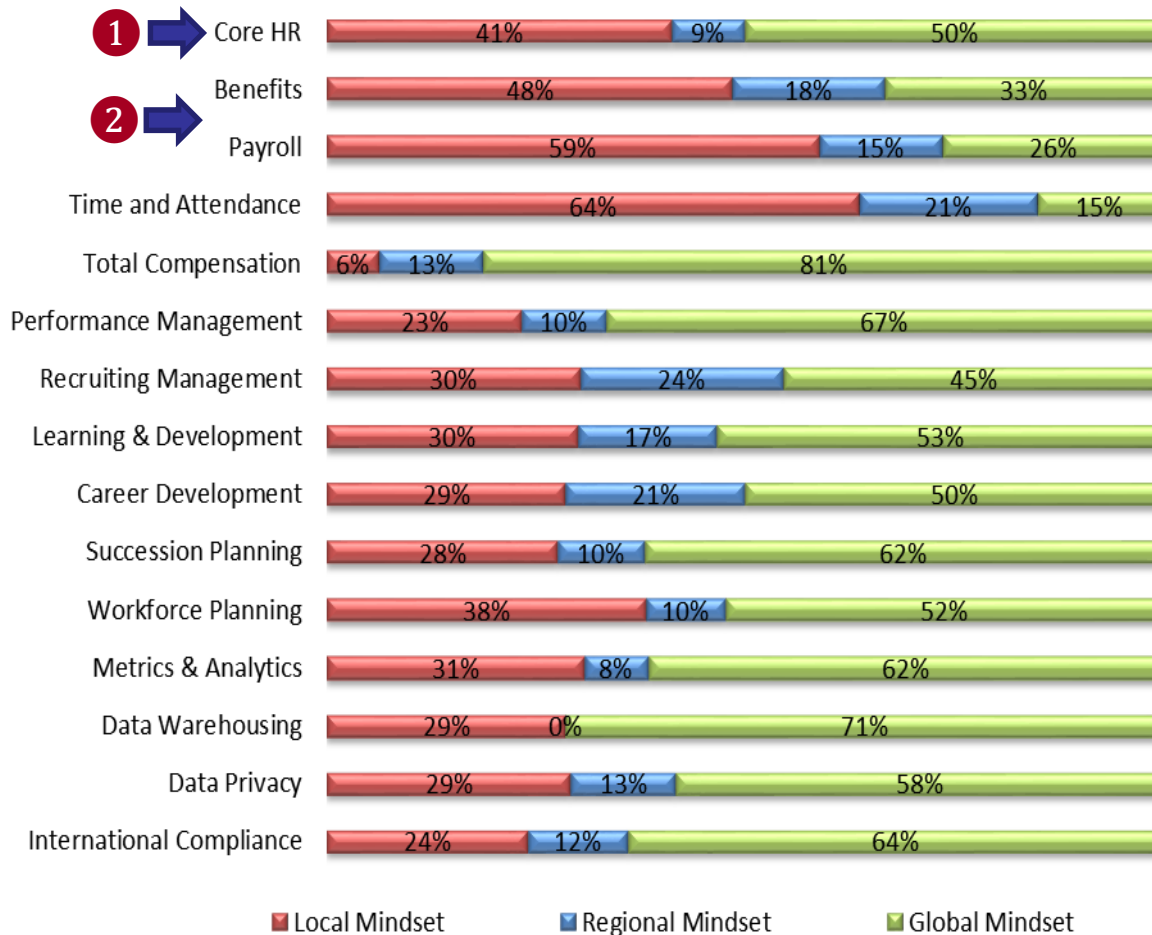
The “mindsets” of the employees working in the organization influence their ability to think globally and strategically, as well as be open to opportunities, change, and innovation.

- Global Mindset – focused on global opportunities
- Regional Mindset – focused on a specific geography
- Local Mindset – focused on one single local country

# 9. Global Strategic Mindset



## Current State of Global Strategic Thinking



**1** Core HR show a similar tendency as to what we saw with service delivery, a dichotomy between local and global mindsets.

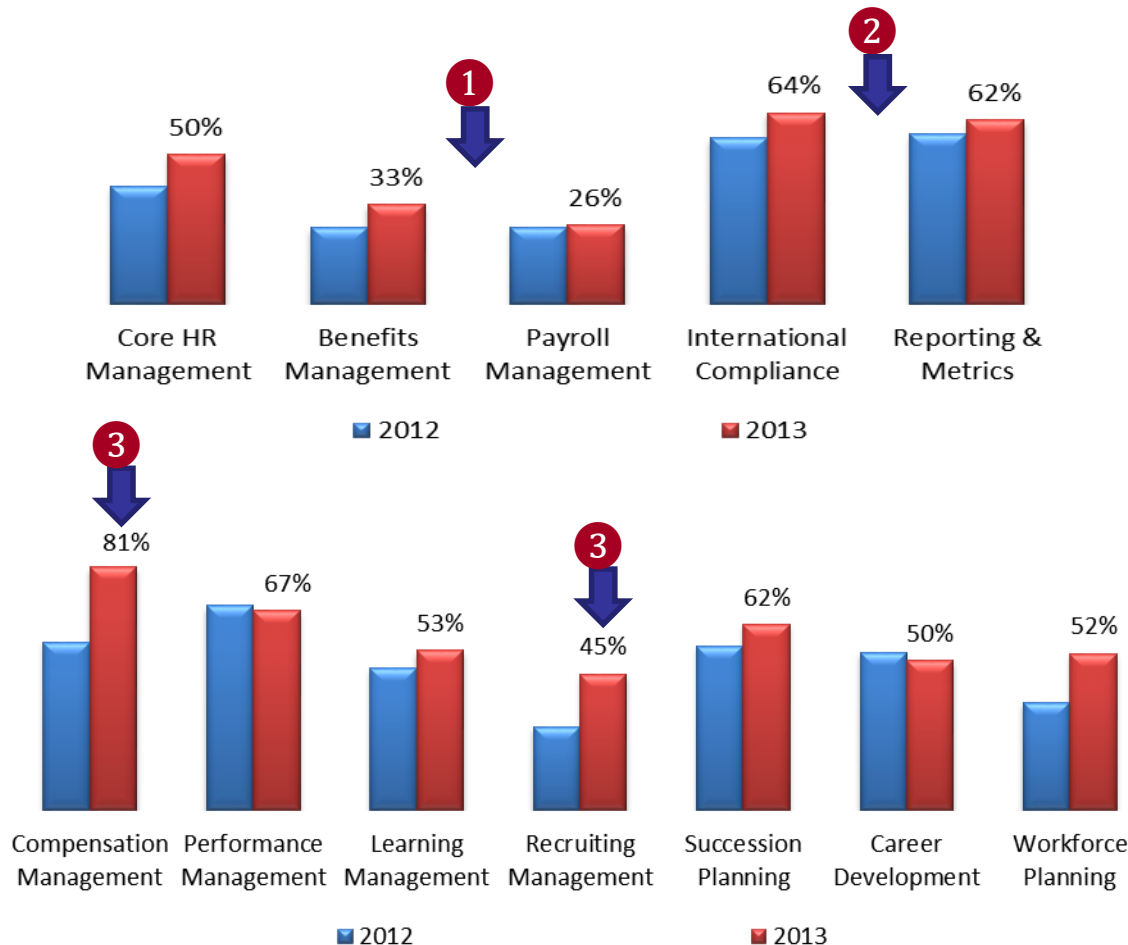
**2** Consistent with other findings in this study, Benefits, Payroll, and Time show a greater tendency toward Local Mindsets.

**3** Overall, we see a very low level of regional mindsets, or a focus on developing people who take a regional view of HCM and Payroll processes across a region.

# 9. Global Strategic Mindset



## Year-Over-Year Trend on Global Strategic Thinking



1 As with other findings in this study, Benefits and Payroll show the lowest level of global mindset.

2 Cross-functional and typical global functions, like compliance and reporting, show a greater leaning toward global thinking.

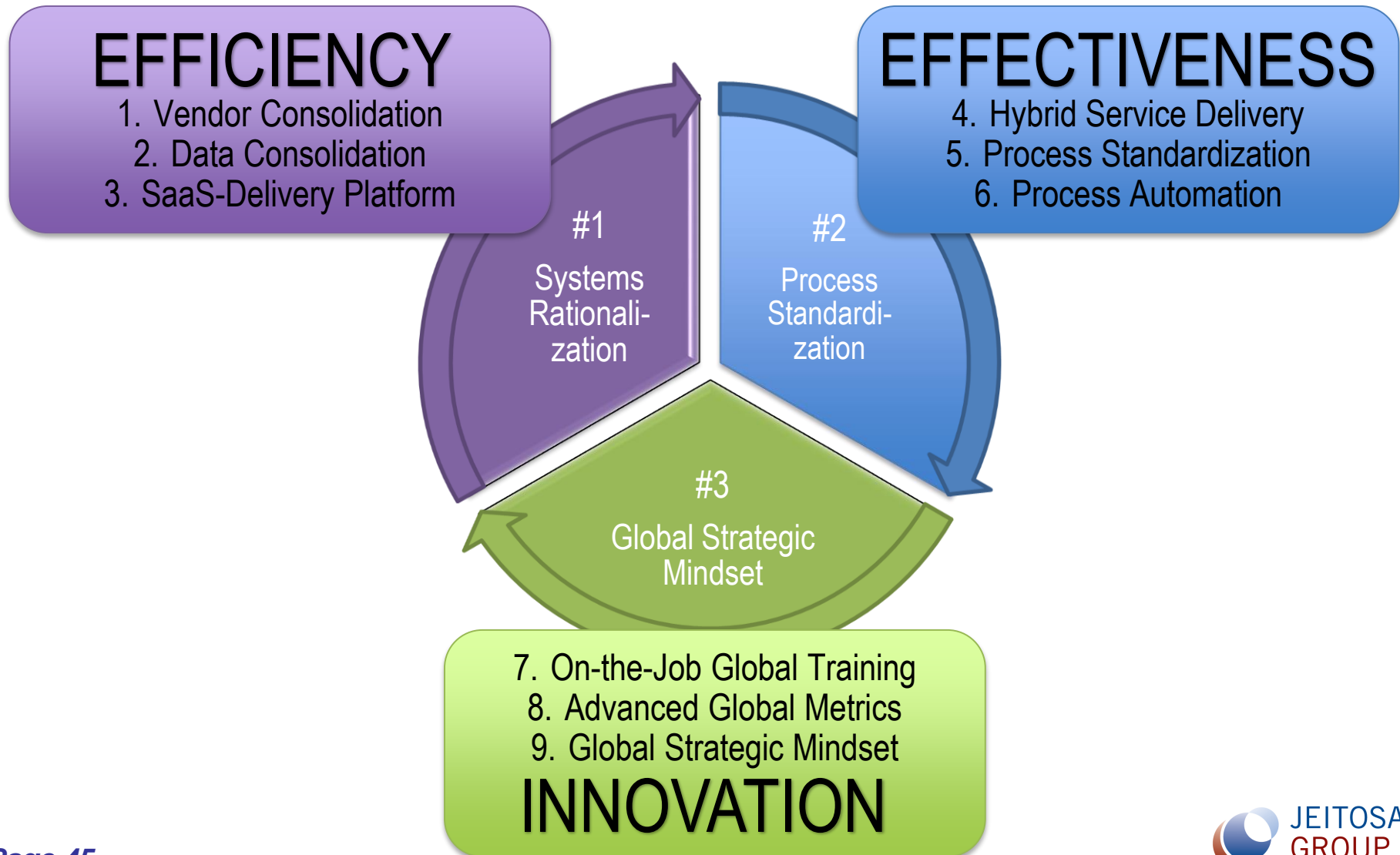
3 Compensation reports people with the greatest global mindset, while Recruiting reports the lowest – consistent with other finding in this study.

# Top Skills for Global Work






A strong Global Mindset along with Cultural Intelligence are the most critical skills cited for being successful globally.

# Critical Success Factors in Going Global



# Jeitosa's Scorecard on Going Global

#	Critical Success Factors	Evaluation	Recommended Action Plan
1	Vendor Consolidation		Rationalize, consolidate, and eliminate/sunset vendors
2	Data Consolidation		Move to one single database for 100% of employees
3	SaaS-Delivery Platform		Evaluate the options with modern technology platform
4	Hybrid Service Delivery		Leverage a hybrid delivery model and sourcing strategy
5	Process Standardization		Become as global as possible, as local as necessary
6	Process Automation		Implement portal, mobile, and social systems access
7	On-the-Job Global Training		Provide on-the-job training and rotational assignments
8	Advanced Global Metrics		Start with 3-5 Leading Indicators/Predictive Metrics
9	Global Strategic Mindset		Build strategic, global competencies, starting regionally

# Thank You!

**gracias, merci, efcharisto, hvala, kiitos,**  
**durdaladawhy, asante sana, bedankt, danke,**  
**rekhmet, go raibh maith agat, salamat,**  
**doh je, spasibo, Ευχαριστω, arigato, tack,**  
**shukriya, tesekkür ederim, bayarlalaa, terimah,**  
**mahalo, takk, kasih, mamnoon, dhannvaad,**  
**धन्यवाद, dziêkujê, tapadh leat, grazie,**  
**dakujem, khawp khun, ngiyabonga**

谢  
谢

Contact: [www.jeitosa.com](http://www.jeitosa.com)

# Questions and Answers





# Thank You



**jeitosa** — [zhay-taw-za] (Brazilian Portuguese) adj. agile, skillful, adroit, clever, innovative, solution-oriented.

[www.jeitosa.com](http://www.jeitosa.com)